United Nations A/60/6 (Income sect. 3)

General Assembly

Distr.: General
27 April 2005

Original: English

Sixtieth session

Proposed programme budget for the biennium 2006-2007*

Income section 3
Services to the public

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* A summary of the approved programme budget will subsequently be issued as *Official Records of the General Assembly, Sixtieth Session, Supplement No. 6* (A/60/6/Add.1).

05-32425 (E) 170505

Overview

IS3.1 The activities provided for under this section respond to objectives of various programmes of the biennial programme plan for the period 2006-2007. These include subprogramme 4, Support services, of programme 24, Management and support services, through the sale of philatelic and gift items; subprogramme 1, Strategic communication services, in promoting an understanding of the Organization's work through guided tours, lectures/briefings, seminars and special events; and subprogramme 4, Outreach services, through the sale of United Nations publications, both under programme 23, Public information, and subprogrammes 5, Statistics, and 6, Population, of programme 7, Economic and social affairs, through the sale of statistical and demographic-related products. Other activities provided for under this section that are not individually addressed in the biennial programme plan and are essentially revenue-producing activities relate to the garage, the news-stand, catering and other commercial activities.

IS3.2 The decline in revenue that followed the events of 11 September 2001, which affected operations dependent on visitors, appears to have stabilized. The number of visitors to the United Nations in New York has reverted to levels last seen in 2000. Similar trends can be seen in Geneva and Vienna, the latter reaching the highest level since 1996. The increase in the number of visitors has also positively reflected on the revenues in the bookshops in New York and Geneva.

IS3.3 The two largest operations, sales of philatelic items and publications, are still largely affected by market realities. The revenue level from the operations of the United Nations Postal Administration appears to have stabilized following a decade-long decline in the philatelic industry due to the ageing and reduced size of the collector base. Following a comprehensive operational review, the United Nations Postal Administration has been restructured, becoming more efficient and cost-effective, with signs of a more positive trend in the level of revenues. However, gross revenue from the sale of printed publications to libraries, which is the largest component of the North American operation, continues to decline, reflecting market conditions, decreased library funding and increasing competition from free reference information available on the Internet. The decline in the North American market has been partly offset by higher than expected revenues in the European market due to the increased demand for dollar-denominated publications, as well as the increase in sales in the New York and Geneva bookshops.

IS3.4 It is anticipated that projected combined net revenue in respect of all services to the public for the biennium 2006-2007 ($5,445,200) would reflect an increase of $1,216,500 in comparison with the estimated net income of $4,228,700 for the biennium 2004-2005 as shown in table IS3.2. The increase is largely attributable to: (a) a large increase in income from the catering contracts at Headquarters following the renegotiation of the contract; (b) minor increases in net revenue in the garage and other commercial activities; (c) a lower estimate than initially projected of the loss from services to visitors; and (d) cost reductions from the rationalization of the philatelic operation. The increases are partly offset by lower net income from the sale of publications, statistical and population products and gift and news-stand items at Headquarters.

IS3.5 With regard to expenditures, three posts are proposed for abolition within the Department of Public Information, comprising two posts in Sale of Publications (one P-2/1 at Headquarters and one General Service (Other level) in Geneva) and one General Service (Other level) post in visitors services in Geneva, following the consolidation of their functions with a view to streamlining operations. This reduction in posts is partly offset by the inward redeployment of two General Service (Other level) posts with sales dispatch functions to the Headquarters Sales and Marketing Section of the Department of Public Information from the Department for General Assembly and Conference Management (section 2), where the dispatch functions had been located.

IS3.6 The operations, which are carried out at Headquarters, Geneva, Vienna, Addis Ababa and Bangkok, are directed by the following organizational units: the Department of Public Information, the Department of Economic and Social Affairs, the Office of Central Support Services, the Office of Programme Planning, Budget and Accounts, the United Nations Office at Geneva, the United Nations Office at Vienna, the Economic Commission for Africa (ECA) and the Economic and Social Commission for Asia and the Pacific (ESCAP).

IS3.7 The percentage distribution of the total gross revenue and expenditures for services to the public during the biennium 2006-2007 are shown in table IS3.1.

Table IS3.1 **Percentage distribution of resources by component**

Component	*Income*	*Expenditure*
A. Programme of work		
1. United Nations Postal Administration operations	30.8	30.2
2. Sale of United Nations publications	36.4	38.0
3. Services to visitors	18.3	21.3
4. Revenue services of the Department of Economic and Social Affairs	2.4	1.8
5. Sale of gift items	1.8	—
6. News-stand operations	0.4	—
7. Garage operations	5.6	3.3
8. Catering operations	2.3	2.5
9. Other commercial operations	2.0	1.3
B. Programme support		
Revenue Accounts Unit	—	1.6
Total	**100.0**	**100.0**

Table IS3.2 **Summary by individual activity: estimates of gross and net revenue (after recosting)**

(Thousands of United States dollars)

	2004-2005 approved estimates	*2006-2007 estimates*	*2006-2007 increase (decrease)*
A. Programme of work			
1. United Nations Postal Administration operations			
Gross revenue	16 197.0	15 044.7	(1 152.3)
Less expenses against revenue	14 262.7	13 397.8	(864.9)
Net revenue	1 934.3	1 646.9	(287.4)
2. Sale of United Nations publications			
Gross revenue	18 382.3	17 789.0	(593.3)
Less expenses against revenue	16 544.3	16 835.8	291.5
Net revenue	1 838.0	953.2	(884.8)
3. Services to visitors			
Gross revenue	6 646.4	8 924.0	2 277.6
Less expenses against revenue	8 701.2	9 442.8	741.6
Net revenue	(2 054.8)	(518.8)	1 536.0
4. Revenue services of the Department of Economic and Social Affairs			
Gross revenue	1 308.1	1 183.7	(124.4)
Less expenses against revenue	910.9	816.7	(94.2)
Net revenue	397.2	367.0	(30.2)
5. Sale of gift items			
Gross revenue	981.8	897.0	(84.8)
Less expenses against revenue			
Net revenue	981.8	897.0	(84.8)
6. News-stand operations			
Gross revenue	206.5	200.0	(6.5)
Less expenses against revenue			
Net revenue	206.5	200.0	(6.5)
7. Garage operations			
Gross revenue	2 503.9	2 715.2	211.3
Less expenses against revenue	1 328.6	1 453.0	124.4
Net revenue	1 175.3	1 262.2	86.9
8. Catering operations			
Gross revenue	1 020.4	2 035.3	1 014.9
Less expenses against revenue	993.6	1 092.2	98.6
Net revenue	26.8	943.1	916.3
9. Other commercial operations			
Gross revenue	864.0	975.7	111.6
Less expenses against revenue	469.3	561.9	92.6
Net revenue	394.7	413.8	19.0
B. Programme support			
Revenue Accounts Unit (expenses against revenue)	671.1	719.1	48.0
Total gross revenue	48 110.4	49 764.5	1 654.1
Less total expenses against revenue	43 881.7	44 319.3	437.6
Total net revenue	**4 228.7**	**5 445.2**	**1 216.5**

Table IS3.3 **Resource requirements by component**

(Thousands of United States dollars)

Regular budget

Component[a]	*2002-2003 expenditure*	*2004-2005 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2006-2007 estimate*
			Amount	*Percentage*			
1. United Nations Postal Administration operations	13 369.3	14 262.7	(1 702.4)	(11.9)	12 560.3	837.5	13 397.8
2. Sales of United Nations publications	13 059.5	16 544.3	(568.7)	(3.4)	15 975.6	860.2	16 835.8
3. Services to visitors	7 073.6	8 701.2	228.4	2.6	8 929.6	513.2	9 442.8
4. Revenue services of the Department of Economic and Social Affairs	778.1	910.9	(133.7)	(14.7)	777.2	39.5	816.7
5. Garage operations	1 232.3	1 328.6	23.1	1.7	1 351.7	101.3	1 453.0
6. Catering operations	438.0	993.6	46.6	4.7	1 040.2	52.0	1 092.2
7. Other commercial operations	607.7	469.3	71.4	15.2	540.7	21.2	561.9
8. Revenue Accounts Unit	681.4	671.1	—	—	671.1	48.0	719.1
Total	**37 239.8**	**43 881.7**	**(2 035.3)**	**(4.6)**	**41 846.4**	**2 472.9**	**44 319.3**

[a] The Headquarters gift shop and news-stand are operated by a contractor and concessionaire, respectively.

Table IS3.4 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Object of expenditure	*2002-2003 expenditure*	*2004-2005 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2006-2007 estimate*
			Amount	*Percentage*			
Posts	17 004.8	20 393.4	(635.9)	(3.1)	19 757.5	1 508.6	21 266.1
Other staff costs	6 813.6	8 030.6	(674.8)	(8.4)	7 355.8	332.2	7 688.0
Non-staff compensation	82.4	114.7	(50.1)	(43.7)	64.6	—	64.6
Consultants and experts	298.0	201.7	(90.2)	(44.7)	111.5	5.6	117.1
Travel of staff	439.3	440.3	(112.8)	(25.6)	327.5	16.6	344.1
Contractual services	4 589.6	5 501.4	(487.4)	(8.9)	5 014.0	216.7	5 230.7
General operating expenses	3 388.7	3 580.4	232.4	6.5	3 812.8	168.1	3 980.9
Hospitality	4.8	20.9	(13.2)	(63.2)	7.7	0.1	7.8
Supplies and materials	459.8	534.4	3.1	0.6	537.5	22.8	560.3
Furniture and equipment	664.6	670.6	84.2	12.6	754.8	31.6	786.4
Seminars, grants and contributions	0.0	—	121.8	—	121.8	6.2	128.0
Cost of goods sold	3 494.2	4 393.3	(412.4)	(9.4)	3 980.9	164.4	4 145.3
Total	**37 239.8**	**43 881.7**	**(2 035.3)**	**(4.6)**	**41 846.4**	**2 472.9**	**44 319.3**

Table IS3.5 **Post requirements**

Category	Established regular budget posts		Temporary posts: Regular budget		Temporary posts: Extrabudgetary		Total	
	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007
Professional and above								
P-5	2	2	—	—	—	—	2	2
P-4/3	10	10	—	—	—	—	10	10
P-2/1	3	3	—	—	—	—	3	2
Subtotal	**15**	**14**	**—**	**—**	**—**	**—**	**15**	**14**
General Service								
Principal level	9	9	—	—	—	—	9	9
Other level	77	77	—	—	—	—	77	77
Subtotal	**86**	**86**	**—**	**—**	**—**	**—**	**86**	**86**
Other								
Security Service	2	2	—	—	—	—	2	2
Subtotal	**2**	**2**	**—**	**—**	**—**	**—**	**2**	**2**
Total	**103**	**102**	**—**	**—**	**—**	**—**	**103**	**102**

A. Programme of work

IS3.8 Pursuant to the objectives of subprogramme 4, Support services, of programme 24, Management and support services, of the biennial programme plan for the period 2006-2007, the Office of Central Support Services provides management and coordination of the following activities: the United Nations Postal Administration and, at Headquarters, the gift shop, the news-stand, and the catering and garage operations. The Office will continue to promote greater awareness of the aims and activities of the United Nations and maximize the effectiveness of its revenue-producing operations.

IS3.9 Pursuant to the objectives of programme 23, Public information, of the biennial programme plan for the period 2006-2007, the Department of Public Information provides coordination and management of the sale of United Nations publications, as well as of the services to United Nations visitors. The objective of these activities is to provide the widest possible dissemination of information about the United Nations to the general public while generating net revenue for the Organization.

IS3.10 Pursuant to the objectives of subprogramme 7.5, Statistics, and subprogramme 7.6, Population, of programme 7, Economic and social affairs, of the biennial programme plan for the period 2006-2007, the Department of Economic and Social Affairs disseminates its collection of statistical and population data to national institutions.

1. United Nations Postal Administration operations

Table IS3.6 Estimates of gross and net revenue

(Thousands of United States dollars)

	2004-2005 approved estimates	*2006-2007 estimates*	*2006-2007 increase (decrease)*
Gross sales	18 443.4	16 684.4	(1 759.0)
Less			
(a) Payments for mail carrying and cancellation charges	428.6	705.3	276.7
(b) Refund adjustment and commissions	1 817.8	934.4	(883.4)
Gross revenue	16 197.0	15 044.7	(1 152.3)
Less expenses against revenue	14 262.7	13 397.8	(864.9)
Net revenue	**1 934.3**	**1 646.9**	**(287.4)**

Table IS3.7 Summary of requirements by object of expenditure

(Thousands of United States dollars)

			Resource growth				
Object of expenditure	*2002-2003 expenditure*	*2004-2005 appropriation*	*Amount*	*Percentage*	*Total before recosting*	*Recosting*	*2006-2007 estimate*
Posts	7 611.8	7 800.4	(181.1)	(2.3)	7 619.3	613.2	8 232.5
Other staff costs	1 759.4	2 351.2	(841.5)	(35.8)	1 509.7	65.9	1 575.6
Non-staff compensation	82.4	114.7	(50.1)	(43.7)	64.6	—	64.6
Consultants and experts	36.2	—	—	—	—	—	—
Travel of staff	149.3	78.9	3.3	4.2	82.2	4.2	86.4
Contractual services	2 405.0	2 800.1	(829.6)	(29.6)	1 970.5	96.8	2 067.3
General operating expenses	960.7	793.1	201.5	25.4	994.6	44.1	1 038.7
Hospitality	0.3	11.0	(10.2)	(92.7)	0.8	—	0.8
Supplies and materials	272.9	218.9	9.8	4.5	228.7	9.5	238.2
Furniture and equipment	91.5	94.4	(4.5)	(4.8)	89.9	3.8	93.7
Total	**13 369.3**	**14 262.7**	**(1 702.4)**	**(11.9)**	**12 560.3**	**837.5**	**13 397.8**

Table IS3.8 **Post requirements**

Category	Established regular budget posts		Temporary posts: Regular budget		Temporary posts: Extrabudgetary		Total	
	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007
Professional and above								
P-5	1	1	—	—	—	—	1	1
P-4/3	2	2	—	—	—	—	2	2
Subtotal	**3**	**3**	**—**	**—**	**—**	**—**	**3**	**3**
General Service								
Principal level	6	6	—	—	—	—	6	6
Other level	34	34	—	—	—	—	34	34
Subtotal	**40**	**40**	**—**	**—**	**—**	**—**	**40**	**40**
Total	**43**	**43**	**—**	**—**	**—**	**—**	**43**	**43**

IS3.11 In line with the objectives of subprogramme 4, Support services, of programme 24, Management and support services, of the biennial programme plan for the period 2006-2007, the United Nations Postal Administration will continue to publicize the work and achievements of the United Nations and the specialized agencies through philatelic sales.

IS3.12 The total estimates of gross revenue, projected by the Postal Administration offices in the amount of $15,044,700 and reflecting a decline of $1.1 million from the level approved for the biennium 2004-2005, are presented in table IS3.6. The philatelic market continues its decline due to the ageing and reduced size of its collector base, the consolidation of dealerships and the slow acceptance of euro-denominated stamps in the philatelic market.

IS3.13 Following the adoption by the General Assembly of its resolution 57/292 of 20 December 2002, the United Nations Postal Administration has undertaken a comprehensive reorganization of its operations, including the renegotiation of payments to national postal administrations, the reduction of its current discounts to dealers and the rationalization of its stamp lines to a less ambitious but more market-oriented line of products. The United Nations Postal Administration has implemented a personalized stamp project, which has proven popular with visitors at Headquarters. New stamp releases are now initially sold on a limited time availability basis in order to preserve a higher level of initial demand and a higher pricing level. Revenue realized in the first half of the current biennium indicates that these multiple initiatives have successfully stabilized the long-term decline in the revenue of the operation.

IS3.14 In order to maintain solvency of the operation, expenditure levels continue to be subjected to strict rationalization. The staffing level continues at a total of 43 posts (down from 60 posts in the biennium 2002-2003) following the consolidation of all European operations under the Vienna office and of all design, marketing and purchasing activities under the New York office. This streamlining of operations has allowed for further significant reductions in expenditures on advertisement and the purchase of stamp stocks, as well as in requirements for the overall level of general temporary assistance. The total level of expenditures is estimated at $13.4 million, representing a decrease of $864,900, or 6.1 per cent, from the level of the revised estimates for the biennium 2004-2005.

Outputs

IS3.15 During the biennium 2006-2007, the following outputs will be delivered:

(a) Other substantive activities: printing of philatelic materials. Issuance of United Nations postage stamps and postal stationery, including the subject, design and quantity to be printed; security and archival safe keeping of postal stocks; liaison with the postal authorities of the United States of America, Switzerland, Austria and other countries regarding postal and philatelic regulations and procedures; and liaison with the Universal Postal Union regarding philatelic and postal regulations and procedures; and participation in the activities of the World Association for the Development of Philately;

(b) Administrative support services: marketing. Examination and introduction of new concepts in management and marketing approaches to increase gross sales, such as personalized stamps, "fun packs" and all-purpose post cards with motifs of the United Nations Postal Administration.

Resource requirements (before recosting)

Posts

IS3.16 The estimated provision of $7,619,300, reflecting a decrease of $181,100 from current levels, relates to the continuation of 43 posts as detailed in table IS3.8 above. The decrease results from lower requirements for staff costs following the redeployment of two General Service (Other level) posts from Geneva to Vienna and the redeployment of one General Service (Principal level) post from Vienna to New York. The redeployment reflects the reorganization of operations as detailed in paragraphs IS3.13 and IS3.14 above.

Other staff costs

IS3.17 The provision of $1,509,700, reflecting a decrease of $841,500, includes: (a) a provision of $1,429,000 to engage the services of hourly paid workers to perform order processing and preparation of philatelic material for dispatch from Headquarters and the European Office; and (b) requirements of $80,700 for overtime needed during stamp exhibitions, the sale of first day of issue stamps and other periods of peak workload for the Postal Administration as a whole. The decrease in requirements results from the consolidation of operations from two European offices into one in Vienna, as well as estimated lower expenditures in New York.

Non-staff compensation

IS3.18 The requirement of $64,600, reflecting a decrease of $50,100, would provide for design artwork for philatelic stamps and promotional materials. The decrease reflects the consolidation of traditional product lines.

Travel of staff

IS3.19 The provision of $82,200, reflecting an increase of $3,300, would cover travel of the staff of the Postal Administration for promotional and representational activities with respect to establishing cooperation with national postal administrations, maintaining contact with international and national philatelic organizations, developing new sources for the distribution of United Nations postage stamps, representation at major international philatelic shows and coordination of the activities of the United Nations Postal Administration offices.

Contractual services

IS3.20 The provision of $1,970,500, reflecting a decrease of $829,600, would cover: (a) the consolidated cost of printing stamps ($1,388,500) in both United Nations Postal Administration offices; (b) the overall programme for advertising and promotional activities ($576,400); and (c) requirements for contractual software applications ($5,600). The decrease reflects the effects of streamlining operational costs in advertising and in the purchase of stamp stocks.

General operating expenses

IS3.21 The provision of $994,600, reflecting an increase of $248,300, would cover maintenance of office automation equipment ($111,700), communication costs ($212,600), miscellaneous services, including stamp affixing, insurance requirements and the cost of stock delivery to dealers, promotional mailings, envelopes, posters and circulars ($670,300). The increase results from higher expenditure estimates in Vienna.

Hospitality

IS3.22 The provision of $800, reflecting a decrease of $10,200, is for hospitality in the context of the promotional activities with philatelic associations and government officials planned as part of the marketing strategy. The reduction reflects the past expenditure pattern.

Supplies and materials

IS3.23 The provision of $228,700, reflecting an increase of $9,800, would cover the cost of office supplies, customer statements and other materials. The increase results from higher expenditure estimates in Vienna.

Furniture and equipment

IS3.24 The provision of $89,900, reflecting a decrease of $4,500, would cover the purchase of additional office equipment for the United Nations Postal Administration offices and the replacement of existing office automation equipment.

2. Sale of United Nations publications

Table IS3.9 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2004-2005 approved estimates	*2006-2007 estimates*	*2006-2007 increase (decrease)*
Gross sales	18 382.3	17 789.0	(593.3)
Less cost of goods sold	4 393.3	4 145.3	(248.0)
Gross revenue	13 989.0	13 643.7	(345.3)
Less expenses against revenue	12 151.0	12 690.5	539.5
Net revenue	**1 838.0**	**953.2**	**(884.8)**

Table IS3.10 Estimates of gross and net revenue by organizational unit

(Thousands of United States dollars)

	2004-2005 approved estimates	*2006-2007 estimates*	*2006-2007 increase (decrease)*
(a) Headquarters			
Gross revenue	9 978.0	8 490.1	(1 487.9)
Less expenses against revenue	8 627.0	8 366.3	(260.7)
Net revenue	1 351.0	123.8	(1 227.2)
(b) Bookshop, Headquarters			
Gross revenue	2 862.2	3 027.8	165.6
Less expenses against revenue	2 208.0	2 488.7	280.7
Net revenue	654.2	539.1	(115.1)
(c) Geneva			
Gross revenue	5 542.1	6 271.1	729.0
Less expenses against revenue	5 709.3	5 980.8	271.5
Net revenue	(167.2)	290.3	457.5
Total gross revenue	18 382.3	17 789.0	(593.3)
Less total expenses against revenue[a]	16 544.3	16 835.8	291.5
Total net revenue	**1 838.0**	**953.2**	**(884.8)**

[a] Including the cost of goods sold.

Table IS3.11 Estimates of gross and net revenue by object of expenditure

			Resource growth				
Object of expenditure	*2002-2003 expenditure*	*2004-2005 appropriation*	*Amount*	*Percentage*	*Total before recosting*	*Recosting*	*2006-2007 estimate*
Posts	5 152.6	7 093.0	(227.2)	(3.2)	6 865.4	491.6	7 357.0
Other staff costs	561.9	500.7	(261.9)	(52.3)	238.8	10.0	248.8
Travel of staff	86.4	92.1	—	—	92.1	4.7	96.8
Contractual services	1 947.3	2 414.4	363.2	15.0	2 777.6	108.8	2 886.4
General operating expenses	1 581.9	1 643.7	(88.2)	(5.4)	1 555.5	62.3	1 617.8
Hospitality	2.1	5.3	—	—	5.3	0.1	5.4
Supplies and materials	64.5	120.7	—	—	120.7	4.4	125.1
Furniture and equipment	173.1	281.1	58.2	20.7	339.3	13.9	353.2
Cost of goods sold	3 489.7	4 393.3	(412.4)	(9.4)	3 980.9	164.4	4 145.3
Total	**13 059.5**	**16 544.3**	**(568.7)**	**(3.4)**	**15 975.6**	**860.2**	**16 835.8**

Table IS3.12 **Post requirements**

Category	Established regular budget posts		Temporary posts				Total	
			Regular budget		Extrabudgetary			
	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007
Professional and above								
P-5	1	1	—	—	—	—	1	1
P-4/3	3	3	—	—	—	—	3	3
P-2/1	2	1	—	—	—	—	2	1
Subtotal	**6**	**5**	**—**	**—**	**—**	**—**	**6**	**5**
General Service								
Principal level	2	2	—	—	—	—	2	2
Other level	25	26	—	—	—	—	25	26
Subtotal	**27**	**28**	**—**	**—**	**—**	**—**	**27**	**28**
Total	**33**	**33**	**—**	**—**	**—**	**—**	**33**	**33**

IS3.25 The activities programmed under this heading relate to the objectives of subprogramme 4, Outreach services, of programme 23, Public information, of the biennial programme plan for the period 2006-2007, which, inter alia, aim to increase readership of United Nations publications in all formats, and to broaden general understanding of the activities of and to develop support for the Organization. The subprogramme supports this goal through the promotion and sale of United Nations publications, including general marketing and sale of reports, books, periodicals, documents, microfiched publications, databases, videos and CD-ROMs, as well as other electronic products. The activities, including the bookshop operation in New York and the book and gift shop operation in Geneva, are carried out by the Sales and Marketing Section of the Department of Public Information at Headquarters, and the Sales Unit at Geneva, respectively, under the direction of the Outreach Division of the Department of Public Information. The subprogramme also covers external publication activities with respect to arrangements with international commercial publishers to produce United Nations books, studies, documents and reports in both print and electronic formats. A related aim of the subprogramme is to generate profit for the Organization without adversely affecting the widest possible free dissemination of United Nations information to the public.

IS3.26 The Publications Board, under the chairmanship of the Director, Outreach Division, Department of Public Information, has overall responsibility for the establishment and execution of the publications programme, including production, costing and determination of the policies governing the sale of published materials.

IS3.27 The decline in worldwide sales of United Nations publications is expected to continue in the biennium 2006-2007. The sales performance continues to be dictated by the adverse budgetary situations faced by academic libraries in North America, which constitute the primary market for United Nations publications. This decline, coupled with increasing competition from previously-for-sale publications now made available free-of-charge on the Internet and the newly introduced free access to the Official Document System, is expected to result in the reduction of gross income at Headquarters in the biennium 2006-2007. While sales of online products have continued to increase, the income generated from those sales would be insufficient to compensate for the loss from traditional print sales. To mitigate these negative trends in the biennium 2006-2007, plans are

under way to develop a capacity to sell electronic versions of all United Nations publications. It is expected that by the end of the biennium 2006-2007, this electronic distribution capability will become more significant than the traditional printed products in terms of both dissemination of content and generation of revenue. In view of this refocusing of the operation, it is proposed to abolish a P-2 post at Headquarters. Its current functions of traditional marketing will be absorbed within the capacity for the development of online distribution. This initiative is already under way through partnerships with commercial distributors and will be further expanded with the creation of a dedicated platform for the sale of United Nations publications, planned for early 2006. In addition, the pricing structure of publications will be re-examined with a view to optimizing revenue despite decreasing demand. The function of technical processing and shipping of sold publications is transferred to the Department of Public Information from the Department for General Assembly and Conference Management (section 2), together with resources consisting of two General Service (Other level) posts.

IS3.28 The relatively strong sales during the biennium 2004-2005 of dollar-priced publications in the European market has led to projected gross sales approaching 2000–2001 levels. Over the same period, sales in the Geneva book and gift shop have also been steadily increasing as a result of expanded promotions and longer trading hours. A further increase in income is anticipated in the coming years, as the visitor services tour will include a visit to the bookshop. In addition, a new shop, through which every visitor will both enter and leave the Palais des Nations, will be opened at the beginning of 2006 at the Pregny gate of the United Nations Office at Geneva compound. At the same time, management of the operation has been rationalized, resulting in the abolition of one General Service (Other level) post responsible for fulfilling individual sales orders. This function will be implemented by the book and gift shop within its existing post establishment. The savings in this area are partly offset by anticipated increases in both cost of goods sold and operational costs of the Geneva book and gift shop operation, as a result of the opening of the new shop and expansion of the level of activity.

Activities

IS3.29 During the biennium 2006-2007, the following activities will be undertaken:

(a) Other substantive activities:

(i) Sale of United Nations publications, documents, reports, books, periodicals, microforms, videos, databases and other published materials;

(ii) Promotional activities: journal advertisements, direct marketing brochures, sales catalogues, Internet web pages, promotional exhibits at conferences and meetings, e-mail newsletters and other activities and products relating to the advertising and promotion of United Nations publications;

(iii) Development of United Nations publications and souvenir items with general appeal that promote the Organization and have revenue potential;

(b) Administrative support services:

(i) Supervision of the United Nations bookshop in New York and the book and gift shop in Geneva;

(ii) Readership surveys and market analysis aimed at providing author departments with feedback on their publications and assessing the effectiveness of promotional activities.

Resource requirements (before recosting)

Posts

IS3.30 The provision of $6,865,400, reflecting a decrease of $227,200, relates to the 33 posts at Headquarters and Geneva. The net decrease reflects:

(a) The abolition of one P-2/1 post in the Sales and Marketing Section at Headquarters resulting from the increasing reliance on online distribution of publications and the shift away from functions in traditional printing;

(b) The abolition of one General Service (Other level) post in Geneva to reflect the absorption of its administrative functions by the current bookshop operation;

(c) The redeployment of two General Service (Other level) posts to the Sales and Marketing Section of the Department of Public Information at Headquarters from the Sales Dispatch Unit of the Department for General Assembly and Conference Management (section 2), in line with the transfer of responsibility for publications inventory and sales processing from the latter Department.

Other staff costs

IS3.31 The provision of $238,800, reflecting a decrease of $261,900, would cover: (a) general temporary assistance requirements ($177,400) for replacements during extended leave of staff and additional staff requirements, in particular in the area of sales through the Internet, and temporary hiring of advertising copywriters and designers for special work on Internet design, direct-mail pieces, electronic publishing, video, CD-ROM and souvenir items and undertaking market studies; (b) overtime ($41,100) at both Headquarters and Geneva; and (c) a provision of $20,300 for the engagement of the services of individuals under special service agreements to undertake marketing studies and focus group surveys to assist author departments in the evaluation of their products and to assess the effectiveness of specific sales activities. The decrease reflects past patterns of expenditure.

Travel of staff

IS3.32 The provision of $92,100, at the maintenance level, relates to travel of staff of both the Headquarters and Geneva units in connection with attendance at exhibits, planned visits to sales agents, universities and libraries worldwide and to market focus groups, with a view to promoting and disseminating information about United Nations publications.

Contractual services

IS3.33 The provision of $2,777,600 under this heading, reflecting an increase of $363,200, would cover the combined costs of: (a) direct-mail advertising, placement of advertisements in the media, including rental of exhibit space, Internet service fees and expenses related to selective use of advertising and promotion agencies for United Nations publications both at Headquarters and Geneva ($973,600); and (b) provision of $736,600 at Geneva and $1,067,400 at Headquarters relating to bookshop operations by outside contractors. The increase of $363,200 reflects the start-up costs of opening a second bookshop at the Pregny gate in Geneva.

General operating expenses

IS3.34 The provision of $1,555,500, reflecting a decrease of $88,200, would provide for general operating expenses at both Headquarters and Geneva for: (a) rental and maintenance of electronic data-processing, office automation and other equipment, relating to both the sale of publications and

bookshop operations ($111,400); (b) communications requirements to cover pouch, postage and other mailing and shipping costs associated with sales operations at both Headquarters and Geneva ($984,500); and (c) requirements for miscellaneous services to cover freight costs, bank fees and other miscellaneous requirements ($459,600). The decrease reflects the level of requirements based on the past expenditure pattern for communications.

Hospitality

IS3.35 Hospitality requirements ($5,300), at the maintenance level, are associated with the launching of new publications and an annual promotional activity for customers of United Nations publications.

Supplies and materials

IS3.36 A provision of $120,700, at the maintenance level, would cover electronic data-processing supplies, other office supplies and sales support materials, such as customer packing slips, invoices, account statements, paper bags, carrier bags, wrapping paper, shipping boxes and exhibition kits at both Headquarters and Geneva.

Furniture and equipment

IS3.37 The provision under this heading ($339,300), reflecting an increase of $58,200, would cover the acquisition and replacement of office automation equipment, office fixtures, cash machines and other equipment required for the sale of publications at both Headquarters and Geneva. The increase relates to resources required for the opening of the second bookshop in Geneva.

Other

IS3.38 The provision of $3,980,900, reflecting a decrease of $412,400, would cover the costs of designing, editing and producing publications, the purchase of books and other publications from other United Nations agencies for resale and inventory requirements for both Headquarters and Geneva. Also included are the costs associated with marketing and development of electronic products and the maintenance and upgrading of those that are currently being offered for sale. The provision would also cover the development of publications of a more general nature that promote the work of the Organization and are deemed to have strong sales potential, including products on specific events of the United Nations. The decrease reflects the impact of lower demand for publications on the maintenance of adequate inventory stock levels.

3. Services to visitors

Table IS3.13 Estimates of gross and net revenue

(Thousands of United States dollars)

	2004-2005 approved estimates	*2006-2007 estimates*	*2006-2007 increase (decrease)*
Headquarters			
Gross revenue	5 465.1	7 679.5	2 214.4
Less expenses against revenue	6 448.0	7 187.9	739.9
Net revenue	(982.9)	491.6	1 474.5
Geneva			
Gross revenue	1 007.8	994.0	(13.8)
Less expenses against revenue	1 575.5	1 545.9	(29.6)
Net revenue	(567.7)	(551.9)	15.8
Vienna			
Gross revenue	173.4	250.4	77.0
Less expenses against revenue	677.7	709.0	31.3
Net revenue	(504.3)	(458.6)	45.7
Total gross revenue	6 646.4	8 924.0	2 277.6
Less total expenses against revenue	8 701.2	9 442.8	741.6
Total net revenue	**(2 054.8)**	**(518.8)**	**1 536.0**

Table IS3.14 Summary of requirements by object of expenditure

(Thousands of United States dollars)

Object of expenditure	*2002-2003 expenditure*	*2004-2005 appropri-ation*	*Resource growth*		*Total before recosting*	*Recosting*	*2006-2007 estimate*
			Amount	*Percentage*			
Posts	2 732.4	3 738.5	(227.2)	(6.1)	3 511.3	267.2	3 778.5
Other staff costs	3 956.8	4 350.4	487.3	11.2	4 837.7	221	5 058.7
Travel of staff	1.8	4.2	—	—	4.2	0.2	4.4
Contractual services	219.6	255.0	—	—	255.0	10.7	265.7
General operating expenses	38.1	80.4	(4.5)	(5.6)	75.9	3.4	79.3
Hospitality	2.4	4.6	(3.0)	(65.2)	1.6	—	1.6
Supplies and materials	62.6	162.8	(24.2)	(14.9)	138.6	6.7	145.3
Furniture and equipment	59.9	105.3	—	—	105.3	4.0	109.3
Total	**7 073.6**	**8 701.2**	**228.4**	**2.6**	**8 929.6**	**513.2**	**9 442.8**

Table IS3.15 **Post requirements**

Category	Established regular budget posts		Temporary posts				Total	
			Regular budget		Extrabudgetary			
	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007
Professional and above								
P-4/3	4	4	—	—	—	—	4	4
P-2/1	1	1	—	—	—	—	1	1
Subtotal	**5**	**5**	**—**	**—**	**—**	**—**	**5**	**5**
General Service								
Principal level	1	1	—	—	—	—	1	1
Other level	12	11	—	—	—	—	12	11
Subtotal	**13**	**12**	**—**	**—**	**—**	**—**	**13**	**12**
Total	**18**	**17**	**—**	**—**	**—**	**—**	**18**	**17**

IS3.39 The activities relating to servicing of visitors fall under the responsibility of the Department of Public Information. The objective is to promote an informed understanding of the purpose and role of the United Nations to the widest possible audience and to increase the visibility and viability of the United Nations Headquarters and the Offices at Geneva and Vienna as attractions for the general public and specialized groups.

IS3.40 The ability of the guided tour operations to generate revenue has been hampered for several years. Since 1993, heightened security measures at Headquarters, Geneva and Vienna have had adverse implications for the operation, as the maximum number of people per guide has been reduced. The events of 11 September 2001 had serious implications for the Headquarters complex, resulting in the curtailment of activities for several months due to frequent closings of the complex. The number of visitors paying for tours of the United Nations had declined to 284,508 in 2002. However, there are indications that the flow of visitors may have stabilized, as indicated by the numbers in table IS3.16 below. In 2004, the number of visitors at Headquarters and Geneva reached the levels earlier attained in 2000, and in Vienna the level experienced in 1996.

Table IS3.16 **Actual and estimated number of tour participants**

	Headquarters	*Geneva*	*Vienna*
1990	496 229	144 210	71 250
1991	473 570	123 772	68 008
1992	474 430	113 955	69 159
1993	415 641	122 633	61 735
1994	389 610	114 594	59 334
1995	415 247	149 784	51 125
1996	420 370	111 979	50 371
1997	415 681	119 101	49 089
1998	431 241	120 394	47 816
1999	437 062	91 375	45 646
2000	388 421	82 217	40 231
2001	344 971	82 798	39 764
2002	284 508	80 943	45 311
2003	323 188	74 120	48 435
2004	360 175	78 405	50 136
2005 (estimate)	372 500	86 000	50 900
2006 (estimate)	376 100	91 000	52 500
2007 (estimate)	381 400	93 000	54 000

IS3.41 In line with current trends of increased ticket prices in the tourism industry of the host city, an increase in ticket prices is planned for each year of the biennium 2006-2007 for all categories of visitors taking the guided tour at Headquarters. Admission fees for 2006 will be as follows: adults $12.00; senior citizens $8.50; students $8.00; and children $7.00; and for the year 2007: $13.00; $9.00; $8.50; and $7.00, respectively. Of the total number of visitors, approximately 49 per cent are expected to be adults, 7 per cent senior citizens and 42 per cent students and children. Approximately 2 per cent of the tickets issued to travel agents, school chaperones, media representatives, members of delegations and United Nations staff members are complimentary.

IS3.42 At the United Nations Office at Geneva, in addition to measures introduced by the Visitors' Service during the biennium 2004-2005 (acceptance of payment in euros, increasing advertisements in host city maps and public places and direct mailings to increase the number of school visits), the Service is in the process of developing joint proposals with the Sales and Marketing Section of the Department of Public Information to optimize and integrate both their tour and bookshop operations. The bookshop will now manage the sale of tickets for the tour, as well as the related administrative and bookkeeping tasks previously carried out by the Visitors' Service. In addition, the tour route has been revised. Visitors are now brought back to the United Nations bookshop at the end of their tour, giving them an opportunity to purchase books and gift items. In turn, the Section will devote resources to publicizing the guided tour in its sales promotion operation, which includes such activities as advertising, direct mailings and outreach at trade fairs. The two offices will also develop other new joint promotional initiatives, including issuing vouchers for free guided tours to the clients of the Sales and Marketing Section. Such initiatives are expected to attract a higher number of visitors to the United Nations Office at Geneva. At the same time, admission fees for the biennium 2006-2007 will be increased as

follows: adults 10.00 Swiss francs; senior citizens and university students SwF 8.00; groups of 20 or more adults SwF 8.00; and children SwF 5.00.

IS3.43 The number of visitors to the Vienna International Centre, mainly tourists and schoolchildren, has slowly increased since 1996, owing to various measures to intensify promotion of the United Nations site at Vienna and increase its visibility. Admission fees charged to the public increased in 2004 as follows: adults €5.00; senior citizens and university students €3.00; groups of 20 or more adults, €4.00; and children under 18 years of age, €2.00.

Outputs

IS3.44 During the biennium 2006-2007, the following outputs will be delivered:

(a) Organization and conducting of year-round exhibits and guided lecture tours on and group visits to United Nations Headquarters and the Offices at Geneva and Vienna in approximately 20 languages;

(b) Organization of briefing programmes and workshops on various United Nations issues for visiting groups;

(c) Organization of speaking engagements by Secretariat officials in response to requests from academic institutions, non-governmental organizations and other interested groups away from Headquarters;

(d) Organization of videoconferences linking groups away from Headquarters with Secretariat and delegation officials at Headquarters;

(e) Promotional events, such as special programmes for school groups or gatherings for tourism industry representatives, serving public enquiries about the United Nations aimed at attracting more visitors to the United Nations and broadening their understanding of the work of the Organization.

Resource requirements (before recosting)

Posts

IS3.45 The provision of $3,511,300, reflecting a decrease of $227,200, would provide for the continuation of 17 posts in the public services units of the Department of Public Information at Headquarters, and the United Nations Offices at Geneva and Vienna, as detailed in table IS3.15 above. The decrease results from the abolition of one General Service (Other level) post in Geneva responsible for cashier functions relating to visitor services, following measures to increase the profitability of the service, and the reassignment of those functions to the Sale of Publications Section, which will now sell tour tickets from its bookshop.

Other staff costs

IS3.46 The provision of $4,837,700, reflecting an increase of $487,300, would cover the costs of: (a) salaries of 16 full-time public information assistants, 4 tour coordinators, 1 senior tour coordinator, 1 briefing assistant and 1 clerical support post at Headquarters ($1,926,700); (b) the contracts, on an hourly basis, for tour guides and 1 cashier in Vienna ($389,300) and tour guides in Geneva ($618,000); (c) the recruitment at Headquarters of additional guides under special service agreements in varying numbers, depending on the time of year ($1,898,700); and (d) the provision of $5,000 for overtime in connection with the operation of the services on holidays. The increase in the amount of $487,300 reflects additional requirements at Headquarters and Geneva to provide

the necessary level of tour services in view of the anticipated increase in the number of visitors at both locations.

Travel of staff

IS3.47 The provision of $4,200, at the maintenance level, would provide for travel for consultations with the visitors' services in Geneva and Vienna on issues related to the development of the services and on operational cost-effectiveness, visitor flow and income-generating and promotional activities.

Contractual services

IS3.48 The provision of $255,000, at the maintenance level, would provide for: (a) the cost of printing information booklets, brochures and pamphlets for distribution to visitors, tourist boards, travel agencies and other relevant institutions ($11,400); and (b) costs relating to publicizing and promoting visits to the United Nations, including the printing and distribution of promotional brochures and other materials, advertising in travel and tourism industry publications and updating United Nations exhibits ($243,600).

General operating expenses

IS3.49 The provision of $75,900, reflecting a decrease of $4,500, would relate to: (a) the maintenance of office automation equipment ($38,300) cash registers, videotape players and monitors ($18,400); (b) miscellaneous services, which include framing and mounting panels along exhibit routes and minor modifications to exhibits ($11,100); and (c) the maintenance of hand-held devices for communication between tour monitors and security officers at Headquarters ($8,100).

Hospitality

IS3.50 The hospitality provision of $1,600, reflecting a reduction of $3,000, would cover the costs of events aimed at enhancing contacts with representatives of the tourism industry.

Supplies and materials

IS3.51 The provision of $138,600, reflecting a decrease of $24,200, would cover the purchase of office supplies and related expenses ($8,800) and the replacement cost of the guides' uniforms ($129,800). The decrease reflects the past expenditure pattern.

Furniture and equipment

IS3.52 The provision of $105,300, at the maintenance level, would cover: (a) the acquisition of software for central support of the guided tour service's reservation system, the replacement of office automation equipment and other exhibit materials, including equipment for the production of DVDs, at Headquarters ($52,600); (b) the acquisition and replacement of data-processing equipment, an electronic ticket printer, an upgraded microphone system and a large television screen with a DVD player at Vienna ($19,600); and (c) the purchase of an electronic display screen and required cabling to be installed at the main access point for visitors at the Pregny gate in Geneva ($33,100).

4. Revenue services of the Department of Economic and Social Affairs

Table IS3.17 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2004-2005 approved estimates	*2006-2007 estimates*	*2006-2007 increase (decrease)*
Statistics			
Gross revenue	1 219.7	1 107.4	(112.3)
Less expenses against revenue	835.8	746.8	(89.0)
Net revenue	383.9	360.6	(23.3)
Population			
Gross revenue	88.4	76.3	(12.1)
Less expenses against revenue	75.1	69.9	(5.2)
Net revenue	13.3	6.4	(6.9)
Total gross revenue	1 308.1	1 183.7	(124.4)
Less total expenses against revenue	910.9	816.7	(94.2)
Total net revenue	**397.2**	**367.0**	**(30.2)**

Table IS3.18 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Object of expenditure	*2002-2003 expenditure*	*2004-2005 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2006-2007 estimate*
			Amount	*Percentage*			
Other staff costs	230.8	303.1	—	—	303.1	15.4	318.5
Consultants and experts	261.8	201.7	(90.2)	(44.7)	111.5	5.6	117.1
Travel of staff	191.3	258.5	(121.1)	(46.8)	137.4	7.0	144.4
Contractual services	10.9	21.0	(21.0)	(100.0)	—	—	—
General operating expenses	2.4	8.8	—	—	8.8	0.4	9.2
Supplies and materials	8.8	10.4	—	—	10.4	0.5	10.9
Furniture and equipment	72.2	107.4	(23.2)	(21.6)	84.2	4.4	88.6
Fellowships, grants and contributions	—	—	121.8	—	121.8	6.2	128.0
Total	**778.1**	**910.9**	**(133.7)**	**(14.7)**	**777.2**	**39.5**	**816.7**

IS3.53 During the biennium 2006-2007, the sales activities of the Department of Economic and Social Affairs under this section will complement the work of subprogramme 45, Statistics, and subprogramme 46, Population, of programme 7, Economic and social affairs, of the biennial programme plan for the period 2006-2007. The activities will aim at: (a) enhancing international statistical development and coordination and the collection, compilation and dissemination of statistical data; and (b) improving methodologies and data analyses, and developing custom demographic software in the areas of demographic estimates, population projections and policies, HIV/AIDS and the interrelationships among population, resources, environment and development. The activities are expected to be self-supporting from revenues generated by sales of statistical publications, statistical and demographic data, software packages and services.

Resource requirements (before recosting)

Other staff costs

IS3.54 The provision of $303,100, at the maintenance level, would provide for 48 work-months of General Service staff to provide secretarial and administrative support and data collection.

Consultants

IS3.55 The provision of $111,500, reflecting a decrease of $90,200, would cover: (a) the recruitment of consultants by the Statistics Division to assist in implementation of the data improvement project for better quality and a larger volume of Comtrade data, as well as in the development of client/server applications for the purpose of those activities ($65,900); (b) the recruitment of consultants by the Population Division to improve methodologies and data analyses and to develop custom demographic software in the areas of demographic estimates, population projections, HIV/AIDS, population policies and the interrelationships among population, resources, environment and development; and (c) the enhancement of CD-ROM databases and web-based products ($45,600).

Travel of staff

IS3.56 The provision of $137,400, reflecting a decrease of $121,100, would cover: (a) the travel of staff of the Statistics Division in connection with attendance at various meetings to consult with other agencies and institutions on statistical data, databases and products ($122,100); and (b) requirements necessary to obtain population information, improve analytical studies on levels, trends and policies and consult with experts on activities related to the quality and comprehensiveness of the Division's databases and web offerings ($15,300).

General operating expenses

IS3.57 The provision of $8,800, at the maintenance level, would cover the cost of mailing tapes, diskettes and CD-ROMs to customers.

Supplies and materials

IS3.58 The provision of $10,400, at the maintenance level, would cover the costs of computer supplies, such as diskettes and other expendable material.

Furniture and equipment

IS3.59 The provision of $84,200, reflecting a decrease of $23,200, would cover: (a) the upgrade of the current hardware and software, as well as the acquisition of an additional workstation and other equipment related to the sale of statistical products ($81,200); and (b) the cost of software for enhancing websites and improving databases for the sale of population products ($3,000).

Fellowships, grants and contributions

IS3.60 The new provision of $121,800 would cover the cost of organizing and conducting five workshops to assist developing countries and countries with economies in transition in improving the quality and flow of international trade statistics data, which will be entered in the Comtrade database and other databases of the Statistics Division. These costs will cover mainly the travel of participants to five regional workshops, as well as local costs and other training arrangements.

5. Sale of gift items

Table IS3.19 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2004-2005 approved estimates	2006-2007 estimates	2006-2007 increase (decrease)
Headquarters gift shop			
Gross revenue	981.8	897.0	(84.8)
Less expenses against revenue	—	—	—
Total net revenue	**981.8**	**897.0**	**(84.8)**

IS3.61 The gift shop at Headquarters provides staff, members of delegations in New York and visitors with United Nations mementos and souvenirs, as well as handicrafts and other souvenirs from around the world. The gift shop at Headquarters is operated by a contractor who is required to provide the United Nations with a percentage of gross sales. The estimated amount of revenue for the United Nations reflects the anticipated level of gross sales to be generated by the gift shop.

6. News-stand operations

Table IS3.20 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2004-2005 approved estimates	2006-2007 estimates	2006-2007 increase (decrease)
Revenue	206.5	200.0	(6.5)
Total	**206.5**	**200.0**	**(6.5)**

IS3.62 The news-stand, located in the Secretariat building, provides delegations and staff with newspapers, magazines and sundry items and is operated by a concessionaire. Under the current agreement, the contractor pays the United Nations $100,000 yearly and 15 per cent of gross receipts above $700,000. The income from this activity is expected to remain at $200,000 for the biennium 2006-2007.

7. Garage operations

Table IS3.21 Estimates of gross and net revenue

(Thousands of United States dollars)

	2004-2005 approved estimates	*2006-2007 estimates*	*2006-2007 increase (decrease)*
Headquarters			
Gross revenue	2 010.2	2 233.1	222.9
Less expenses against revenue	833.5	928.1	94.6
Net revenue	1 176.7	1 305.0	128.3
Geneva			
Gross revenue	445.4	432.1	(13.3)
Less expenses against revenue	454.4	479.2	24.8
Net revenue	(9.0)	(47.1)	(38.1)
Bangkok			
Gross revenue	48.3	50.0	1.7
Less expenses against revenue	40.7	45.7	5.0
Net revenue	7.6	4.3	(3.3)
Total gross revenue	2 503.9	2 715.2	211.3
Less total expenses against revenue	1 328.6	1 453.0	124.4
Total net revenue	**1 175.3**	**1 262.2**	**86.9**

Table IS3.22 Summary of requirements by object of expenditure

(Thousands of United States dollars)

Object of expenditure	*2002-2003 expenditure*	*2004-2005 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2006-2007 estimate*
			Amount	*Percentage*			
Posts	826.7	1 090.4	—	—	1 090.4	88.6	1 179
Other staff costs	78.5	57.5	(36.4)	(63.3)	21.1	1.0	22.1
General operating expenses	306.5	171.2	53.2	31.1	224.4	10.9	235.3
Supplies and materials	20.6	9.5	6.3	66.3	15.8	0.8	16.6
Total	**1 232.3**	**1 328.6**	**23.1**	**1.7**	**1 351.7**	**101.3**	**1 453.0**

Table IS3.23 **Post requirements**

Category	Established regular budget posts		Temporary posts				Total	
			Regular budget		Extrabudgetary			
	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007
General Service								
Other level	4	4	—	—	—	—	4	4
Subtotal	**4**	**4**	**—**	**—**	**—**	**—**	**4**	**4**
Other								
Security Service	2	2	—	—	—	—	2	2
Subtotal	**2**	**2**	**—**	**—**	**—**	**—**	**2**	**2**
Total	**6**	**6**	**—**	**—**	**—**	**—**	**6**	**6**

IS3.63 The garage operations at Headquarters, Geneva and Bangkok provide parking facilities for delegates and staff under conditions and at rates established by the United Nations.

Resource requirements (before recosting)

Posts

IS3.64 The provision of $1,090,400, at the maintenance level, is for the continuation of four posts at Headquarters (two General Service (Other level) and two Security Service) and two General Service (Other level) posts at Geneva, who are responsible for issuing parking permits and decals, maintaining databases of permit holders and applicants from both the permanent missions of Member States and the staff and patrolling of the garage premises.

Other staff costs

IS3.65 The provision of $21,100, reflecting a decrease of $36,400, relates to overtime for the Garage Administration at Headquarters to meet extended working time requirements, in particular during sessions of the General Assembly. The decrease reflects the discontinuation of temporary staff arrangements for the garage administration in Bangkok and its replacement with Security and Safety staff following recommendations aimed at strengthening security in the United Nations premises at Bangkok.

General operating expenses

IS3.66 The provision under this heading ($224,400), reflecting an increase of $53,200, relates to hiring outside contractors for miscellaneous maintenance services (repairs, floor markings, signs, replacement of fixtures) required in the garage operations at Headquarters ($182,400) and in Bangkok ($42,000). The increase reflects the actual requirements in Bangkok, which were previously budgeted under the central support services of ESCAP.

Supplies and materials

IS3.67 The estimated provision of $15,800, reflecting an increase of $6,300, relates to supplies and materials required for the garage operations at Headquarters ($13,800) and in Bangkok ($2,000), such as parking tickets, receipts, stickers and specialized laminated supplies. The increase reflects

the actual requirements in Bangkok, which were previously budgeted under the central support services of ESCAP.

8. Catering operations

Table IS3.24 **Estimates of gross and net revenue**

(Thousand of United States dollars)

	2004-2005 approved estimates	*2006-2007 estimates*	*2006-2007 increase (decrease)*
Catering, Headquarters			
Gross revenue	976.3	1 965.4	989.1
Less expenses against revenue	958.3	1 032.7	74.4
Net revenue	18.0	932.7	914.7
ESCAP cafeteria			
Gross revenue	44.1	69.8	25.7
Less expenses against revenue	35.3	59.5	24.2
Net revenue	8.8	10.3	1.5
Total gross revenue	1 020.4	2 035.3	1 014.9
Less total expenses against revenue	993.6	1 092.2	98.6
Total net revenue	**26.8**	**943.1**	**916.3**

Table IS3.25 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Object of expenditure	*2002-2003 expenditure*	*2004-2005 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2006-2007 estimate*
			Amount	*Percentage*			
Other staff costs	—	163.8	—	—	163.8	8.2	172.0
General operating expenses	438.0	829.8	46.6	5.6	876.4	43.8	920.2
Total	**438.0**	**993.6**	**46.6**	**4.7**	**1 040.2**	**52.0**	**1 092.2**

IS3.68 The new contractor at Headquarters started operations in April 2003. Under the terms of the contract, the caterer will pay to the Organization a fixed commission of $150,000 per year plus annual rent of $509,292 and a further 15 per cent commission on gross revenue earned from catering to non-United Nations functions, which is estimated at this stage in the amount of $320,000 annually.

IS3.69 The catering service at ESCAP is a self-supporting activity that generates only incidental income beyond the requirements for maintenance and replacement of kitchen equipment and catering furniture.

Resource requirements (before recosting)

Other staff costs

IS3.70 The provision of $163,800, at the maintenance level, would cover general temporary assistance to administer and monitor the contract at Headquarters.

General operating expenses

IS3.71 The provision of $876,400, reflecting an increase of $46,600 relates to: (a) the cost of utilities for the catering operation at Headquarters ($819,200); and (b) the maintenance of kitchen equipment and furniture in the ESCAP cafeteria ($57,200). The increase reflects the estimated requirements for the operation in Bangkok.

9. Other commercial operations

Table IS3.26 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2004-2005 approved estimates	*2006-2007 estimates*	*2006-2007 increase (decrease)*
Vienna commercial activities			
Gross revenue	73.5	73.9	0.4
Less expenses against revenue	68.4	70.8	2.4
Net revenue	5.1	3.1	(2.0)
ECA Conference Centre			
Net revenue	340.3	374.1	33.8
ESCAP Conference Centre			
Gross revenue	450.2	527.6	77.5
Less expenses against revenue	400.9	491.1	90.2
Net revenue	49.3	36.5	(12.7)
Total gross revenue	864.0	975.7	111.6
Less total expenses against revenue	469.3	561.9	92.6
Total net revenue	**394.7**	**413.8**	**19.0**

Table IS3.27 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Object of expenditure	*2002-2003 expenditure*	*2004-2005 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2006-2007 estimate*
			Amount	*Percentage*			
Other staff costs	226.2	303.9	(22.3)	(38.9)	281.6	10.7	292.3
Travel of staff	10.6	6.6	5.0	75.8	11.6	0.5	12.1
Contractual services	6.9	10.9	—	—	10.9	0.4	11.3
General operating expenses	61.2	53.4	23.8	44.6	77.2	3.2	80.4
Supplies and materials	30.4	12.1	11.2	92.6	23.3	0.9	24.2
Furniture and equipment	267.9	82.4	53.7	65.2	136.1	5.5	141.6
Total	**607.7**	**469.3**	**71.4**	**15.2**	**540.7**	**21.2**	**561.9**

IS3.72 United Nations promotions and exhibits, a coffee shop, a hairdresser and a flower shop occupy space at the main entrance of the Vienna International Centre. The coffee shop, hairdresser and flower shop are administered by the United Nations and operated by contractors. The contractors reimburse the United Nations for all utility costs and also pay either a fixed annual fee or a percentage of their gross revenue to the United Nations Office at Vienna.

IS3.73 The other component under this heading relates to the ESCAP and ECA conference centres. For the biennium 2006-2007, the total gross revenue of the ESCAP conference centre is estimated at $527,600, resulting from the rental of the conference centre to other organizations. The estimated expenses would cover the Centre's maintenance costs in proportion to rental activities. Net revenue resulting from the rental of the conference centre at ECA is estimated at $374,100. The maintenance costs of the centre are budgeted for in section 17, Economic and social development in Africa.

Resource requirements (before recosting)

Other staff costs

IS3.74 The provision of $281,600, reflecting a decrease of $22,300, would cover the costs associated with administration of the commercial contracts for the operations described above, including: (a) a provision of $57,500 for general temporary assistance in Vienna; (b) a provision of $161,800 in Bangkok for general temporary assistance, equivalent to two Local level positions, for administrative support activities related to the rental of the conference centre; and (c) $62,300 in overtime and night differential expenses incurred by security officers and temporary staff in Bangkok in connection with exhibition-related activities and audio-visual arrangements.

Travel of staff

IS3.75 The provision of $11,600, reflecting an increase of $5,000, would cover the travel of staff to attend regional meetings with a view to promoting the ESCAP conference centre.

Contractual services

IS3.76 The provision of $10,900, at the maintenance level, would cover the cost of advertisement and promotion of the Vienna International Centre.

General operating expenditures

IS3.77 The provision of $77,200 for ESCAP, reflecting an increase of $23,800, would cover the cost of maintenance of premises ($3,500), utilities ($15,700), rental of equipment ($10,100), rental and utilization of telephone lines ($8,400), maintenance of equipment ($20,800) and other miscellaneous services ($18,700). The increase reflects the higher level of utilization of the conference centre.

Supplies and materials

IS3.78 The provision of $23,300 for ESCAP, reflecting an increase of $11,200, would cover the acquisition of information kits, pamphlets, promotional materials and public information supplies. The increase reflects the higher level of utilization of the conference centre.

Furniture and equipment

IS3.79 The provision of $136,100 for ESCAP, reflecting an increase of $53,700, would cover the acquisition and/or replacement of meeting chairs, four liquid crystal display projectors, four

notebook computers, one video camera for the conference room and closed-circuit television, two plasma displays and two DVD duplicators. The increase reflects the higher level of utilization of the conference centre.

B. Programme support

Revenue Accounts Unit

Table IS3.28 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Object of expenditure	*2002-2003 expenditure*	*2004-2005 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2006-2007 estimate*
			Amount	*Percentage*			
Post	681.4	671.1	—	—	671.1	48.0	719.1
Total	**681.4**	**671.1**	**—**	**—**	**671.1**	**48.0**	**719.1**

Table IS3.29 **Post requirements**

Category	*Established regular budget posts*		*Temporary posts*				*Total*	
			Regular budget		*Extrabudgetary*			
	2004-2005	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*
Professional and above								
P-4/3	1	1	—	—	—	—	1	1
Subtotal	**1**	**1**	**—**	**—**	**—**	**—**	**1**	**1**
General Service								
Other level	2	2	—	—	—	—	2	2
Subtotal	**2**	**2**	**—**	**—**	**—**	**—**	**2**	**2**
Total	**3**	**3**	**—**	**—**	**—**	**—**	**3**	**3**

Resource requirements (before recosting)

Posts

IS3.80 The provision of $671,100, at the maintenance level, would provide for the continuation of one P-4 and two General Service (Other level) posts in the Accounts Division of the Office of Programme Planning, Budget and Accounts responsible for revenue accounting and reporting.